

LAW OFFICES OF  
ROBERT G. SHEPHERD, JR.  
SUITE 400 - LAFAYETTE CENTRE  
1155 21ST ST., N.W.  
WASHINGTON, D.C. 20036  
(202) 457-7944

ROBERT G. SHEPHERD, JR.  
COUNSEL  
LOUIS E. GITOMER

TELEX:  
277566 EXECUR  
TELECOPIER:  
(202) 872-0896

December 16, 1988

INTERSTATE COMMERCE COMMISSION

DEC 16 1988 2-20 PM

RECORDATION NO. 7985-7 Filed 12/16/88

Honorable Noreta R. McGee  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Dear Secretary McGee:

I have enclosed the original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is an Assignment and Assumption Agreement, a secondary document dated December 15, 1988. The primary document to which this is connected is recorded under Recordation No. 7985.

We request that this assignment be cross-indexed.

The names and addresses of the parties to the document are as follows:

Vendor:

United States Trust Company of New York  
45 Wall Street  
New York, NY 10005

Vendee:

GATX Leasing Corporation  
Four Embarcadero Center  
San Francisco, California 94111

*Counterparty of McGee*

Honorable Noreta R. McGee  
December 16, 1988  
Page Two

A description of the equipment covered by the document follows:

The equipment covered by the agreement consists of 137 - 100-ton steel triple hopper cars, manufactured by Bethlehem Steel Corporation and delivered in 1975. These cars carry the following running numbers: PPLX-#'s 124, 163, 174, 185, 191, 310, 311, 313, 316, 334, 337, 340, 341, 366, 374, 377, 381, 383, 389, 400, 407, 412, 413, 548, 565, 639, 654, 675, 677, 681, 686, 687, 688, 701, 704, 705, 715, 725, 745, 747, 752, 760-762, 771, 774, 887-903, 905-913, 915-918, 920-938, 940, 941, 942, 945-951, 953, 956-959, 962-968, 970-980, and 982-990.

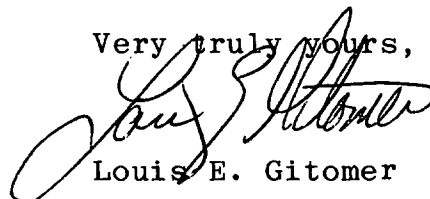
A fee of \$13.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to:

Louis E. Gitomer  
Suite 400  
1155 21st Street, N.W.  
Washington, D.C. 20036

A short summary of the document to appear in the index follows:

Assignment through an Assignment and Assumption Agreement between United States Trust Company of New York, 45 Wall Street, New York, NY 10005, and GATX Leasing Corporation, Four Embarcadero Center, San Francisco, CA 94111, dated December 15, 1988, and covering 137 - 100-ton steel triple hopper cars, manufactured by Bethlehem Steel Corporation and delivered in 1975. These cars carry the following running numbers: PPLX-#'s 124, 163, 174, 185, 191, 310, 311, 313, 316, 334, 337, 340, 341, 366, 374, 377, 381, 383, 389, 400, 407, 412, 413, 548, 565, 639, 654, 675, 677, 681, 686, 687, 688, 701, 704, 705, 715, 725, 745, 747, 752, 760-762, 771, 774, 887-903, 905-913, 915-918, 920-938, 940, 941, 942, 945-951, 953, 956-959, 962-968, 970-980, and 982-990. This agreement is connected to an Equipment Trust Agreement with Recordation No. 7985.

Very truly yours,



Louis E. Gitomer

INTERSTATE COMMERCE COMMISSION

DEC 16 1988 2:00 PM

EXHIBIT A-3  
(PPL)

RECORDATION NO. 7985-D FORM 1425

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is entered into December 15, 1988, between United States Trust Company, a New York corporation ("Seller"), and GATX Leasing Corporation, a Delaware corporation ("Purchaser").

- W I T N E S S E T H -

WHEREAS Seller and Purchaser are parties to a Purchase Agreement, dated December 15, 1988 (the "Purchase Agreement"); and

WHEREAS the Purchase Agreement provides, among other things, for the execution and delivery of an assignment and assumption in the form hereof to effect the sale by Seller to Purchaser of all right, title and interest of Seller in and to the Lease Assets referred to below, and the assumption by Purchaser of certain of the obligations of Seller under the Lease Documents referred to below.

NOW, THEREFORE, in consideration of the premises, the payment of Ten Dollars (\$10.00) and the mutual covenants and agreements herein contained, the parties hereto do hereby agree as follows:

1. Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the meanings given to them in the Purchase Agreement.

2. Assignment. Seller does hereby GRANT, BARGAIN, ASSIGN, TRANSFER, SELL, DELIVER AND CONVEY unto Purchaser, its successors and assigns, all of Seller's right, title and interest in and to the following assets (the "Lease Assets"):  
(a) the Lease Documents described in Schedule 5.1(f)-3 hereto attached and made a part hereof, including, but not limited to, the entire beneficial ownership in and to the Trust Estate, and  
(b) the Lease Property set forth on Schedule 5.1(j)-3 attached hereto and made a part hereof (the "Lease Property"); excluding, however, in each case, any obligation or liability whatsoever for any claim, cause of action, liability or obligation of any nature or description or other right to payment accruing, arising or relating to any period prior to the date hereof or payable by reason of any act, event or omission occurring or existing prior to the date hereof, whether known or unknown, contingent or otherwise, as of the date hereof except for indebtedness of Seller due for periods commencing on or after the date hereof under the Lease Documents to the extent the same are assumed by Purchaser under the Purchase Agreement; provided, however, that Seller and Purchaser shall have the rights to payments described in Sections 3.1 and 7.1(a) of the Purchase Agreement, as and to the extent

provided therein; TO HAVE AND TO HOLD THE SAME UNTO PURCHASER, ITS SUCCESSORS AND ASSIGNS, FOREVER.

Seller for itself, its successors and assigns, does hereby WARRANT and agree with Purchaser, its successors and assigns, that it is the lawful owner of its entire equity interest in the Lease Property and Lease Documents and has good right, to sell the same to Purchaser, subject to the rights of the other parties to the Lease Documents, and Seller, for itself and its successors and assigns, does hereby covenant with Purchaser that Seller and its successors and assigns will defend the same unto Purchaser, its successors and assigns, against all and every person whomsoever lawfully claiming or laying claim to or making demands in respect of, the same by, through or under Seller (other than, except as provided in the Purchase Agreement, lawful claims arising from such rights of the other parties to the Lease Documents).

3. Assumption. Purchaser hereby confirms that it shall be deemed a party to the Finance Agreement and the Trust Agreement and all other Lease Documents to which Seller is a party on and after the date hereof, and it hereby assumes and agrees to be bound by all of the terms of the Finance Agreement and the Trust Agreement and all other Lease Documents to which Seller is a party and undertakes all of the obligations of the Owner contained in the Finance Agreement and the Trust Agreement and all other Lease Documents to which Seller is a party occurring or arising on and after the date hereof. Purchaser hereby assumes, and no Seller shall be responsible, to any person for the discharge or performance of any duty or obligation of the Sellers, as Owners or otherwise, pursuant to or in connection with the Lease Documents occurring or arising on and after the date hereof. Purchaser shall not be responsible to any person for the discharge or performance of any duty or obligation of any Seller in connection with the Lease Documents occurring or arising prior to the date hereof.

4. Indemnity. The terms and provisions of the Purchase Agreement respecting indemnities of the parties are hereby incorporated by reference.

5. Successors and Assigns. This Assignment and Assumption Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns; provided that Seller may not transfer or assign this Assignment and Assumption Agreement or any rights or obligations hereunder without the prior written consent of Purchaser or its successors or assigns; provided, further, that each party shall give notice to the other of any assignment or transfer of all or any part hereof.

6. Further Assurances. Seller agrees to execute and deliver such further documents, and to do such further things, as

Purchaser may reasonably request, and at Purchaser's expense, in order to more fully effect this Assignment and Assumption Agreement and the transactions contemplated by the Purchase Agreement. Purchaser agrees to execute and deliver such further documents, and to do such further things, as Seller may reasonably request and at Seller's expense, in order to more fully effect this Assignment and Assumption Agreement and the transactions contemplated hereby and by the Purchase Agreement.

7. Purchaser Representations. Purchaser represents, warrants and confirms:

(a) Purchaser, as "transferee," is acquiring the entire beneficial interest of Seller, as "Trustor," in and to the Trust Estate;

(b) Purchaser, as "transferee," is a lending institution with a combined capital and surplus of at least \$25,000,000;

(c) Upon the transfer of the Lease Assets to Purchaser, Purchaser shall: (i) be deemed a party to the Trust Agreement and the Finance Agreement and all other Lease Documents to which Seller is a party, (ii) be bound by all of the terms of the Trust Agreement and the Finance Agreement and all other Lease Documents to which Seller is a party and (iii) undertake all the obligations of a Corporation under the Trust Agreement and the Finance Agreement and all other Lease Documents to which Seller is a party;

(d) That (i) it is an "accredited investor" within the meaning of Regulation D of the Act, (ii) it is acquiring the beneficial interest hereunder for its own account for investment and not with a view to distribution or resale thereof, and that it has no present intention of selling, negotiating or otherwise disposing of such interests, but subject, nevertheless, to any requirement of law that the disposition of its property shall at all times be within its control and to compliance with state and Federal securities laws, (iii) it has full right, power and authority to assume and perform the Trust Agreement, (iv) the Trust Agreement does not nor will the performance of its obligations hereunder violate the provisions of any indenture or other agreement to which it is a party or by which it may be bound, (v) no approval, consent or withholding of objections on the part of any regulatory body, state, federal or local, is necessary in connection with its acquisition of the beneficial interest hereunder or its assumption or performance of the Trust Agreement or to the extent such approval, consent or such other action is necessary, the same has been obtained and is in full force and effect, and (vi) the transfer contemplated hereby will not, to its knowledge, violate any provision of any law, rule or regulation applicable hereto.

8. Tax Risk. (a) Seller hereby assumes the risk of any adverse tax consequences to Seller resulting from the conveyance contemplated by this Assignment and Assumption Agreement.

(b) Seller shall indemnify and hold harmless all present and future holders of Certificates (who are hereby expressly made third party beneficiaries of this Assignment and Assumption Agreement) from and against any reduction in the amount payable out of the Trust Estate to such holders in respect of the Certificates, or other loss, cost or expense incurred by such holders, as a result of the imposition or enforcement of any lien or claim against the Trust Estate by any taxing authority because of the nonpayment by Purchaser of taxes imposed on or measured by the net income of the Purchaser by such taxing authority, and Seller shall remain jointly and severally liable with Purchaser for Purchaser's obligations under Section 9.01 of the Trust Agreement relating to Lease Assets; provided, however, that Purchaser shall indemnify Seller for any amount paid pursuant to the foregoing provisions of this paragraph (b) to any holder of a Certificate.

9. Governing Law. This instrument shall be governed by, and construed and interpreted in accordance with, the laws of the State of New York.

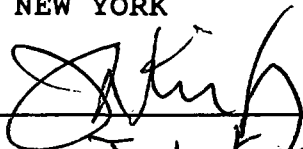
10. Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed and delivered shall be an original for all purposes, but all such counterparts shall constitute but one and the same instrument.

11. Opinion of Counsel. Trustor hereby delivers an opinion of its counsel, attached hereto as Schedule 4.2(g).

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be duly executed the day and year first above written.

SELLER:

UNITED STATES TRUST COMPANY OF  
NEW YORK

By:   
Name: J. L. KIRBY  
Title: SVP

**PURCHASER:**

**GATX LEASING CORPORATION**

By: 

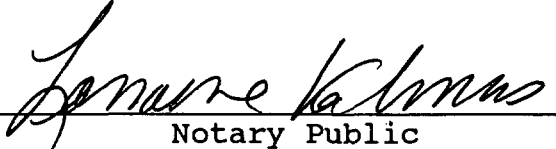
Name: DANIEL J. JERABEK

Title: ATTORNEY-IN-FACT

STATE OF NEW YORK )  
 ) ss:  
COUNTY OF NEW YORK )

On this 15th day of December, 1988, before me personally appeared John L. Kirby, to me personally known, who, being by me duly sworn, did depose and say that he is a Senior Vice President of United States Trust Company of New York, the corporation described in and which executed the above instrument and that said instrument was signed on behalf of said corporation by authority of its Board of Trustees.

(Seal)

  
Notary Public

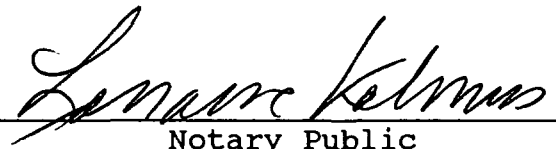
My Commission Expires: \_\_\_\_\_

LORRAINE KALMUS  
Notary Public, State of New York  
No. 31-4879478  
Qualified in New York County  
Commission Expires December 1, 1990

STATE OF NEW YORK )  
 ) ss:  
COUNTY OF NEW YORK )

On this 15th day of December, 1988, before me personally appeared Daniel J. Jerabek, to me personally known, who, being by me duly sworn, says that he is an Attorney-In-Fact of GATX Leasing Corporation; that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation. I hereby certify that I am not a director, officer or stockholder of said corporation.

(Seal)

  
Notary Public

My Commission Expires: \_\_\_\_\_

LORRAINE KALMUS  
Notary Public, State of New York  
No. 31-4879478  
Qualified in New York County  
Commission Expires December 1, 1990



LIST OF LEASE DOCUMENTS

- A. Finance Agreement dated as of June 2, 1975 among Pennsylvania Power and Light Company, Lessee, United States Trust Company of New York, Trustee, Jefferson Standard Life Insurance Company, Loan Participant, American United Life Insurance Company, Loan Participant and Provident National Bank, Trustee (153 one hundred ton steel triple hopper coal cars).
- Schedule A (Loan Participants)
  - 1. Exhibit I - Equipment Trust Agreement dated as of June 2, 1975 between United States Trust Company of New York, Trustor, and Provident National Bank, Trustee.
    - Schedule I - Casualty Value.
    - Schedule II - Termination Value.
  - 2. Exhibit II - Purchase Order Assignment dated as of June 2, 1975 by Pennsylvania Power and Light Company to Provident National Bank, as Trustee, and Consent and Agreement (of Bethlehem Steel).
  - 3. Exhibit III - Lease of Railroad Equipment dated as of June 2, 1975 between Provident National Bank, as Trustee, Lessor, and Pennsylvania Power & Light Company, Lessee.
    - Annex A (Equipment Schedule).
    - Annex B (Certificate of Delivery).
    - Correction Amendment, dated as of July 7, 1975 to Lease of Railroad Equipment dated as of June 2, 1975, between Provident National Bank, as Trustee, Lessor, and Pennsylvania Power & Light Company, Lessee.
- B. Master Exclusive Agency Agreement for Railroad Equipment Between Itel Corporation, Equipment Management Division, and United States Trust Company of New York.
- C. Miscellaneous other documents, copies of which were delivered to GATX at the Closing.

DESCRIPTION OF ALL LEASE PROPERTY  
SUBJECT TO LEASES

137, 100-ton steel triple hopper cars manufactured by Bethlehem Steel Corporation and delivered in 1975. These cars carry the following running numbers:

PPLX- #'s

124	163	174	185	191									
310	311	313	316	334	337	340	341	366	374	377	381	383	389
400	407	412	413										
548	565												
639	654	675	677	681	686	687	688						
701	704	705	715	725	745	747	752	760	761	762	771	774	

and #'s 887-990 inclusive with  
the following exceptions:

904	914	919	939	943
944	952	954	955	960
961	969	981		